

4-6341

OPERATIONS COORDINATING BOARD
Washington 25, D. C.

September 28, 1953

MEMORANDUM FOR THE OPERATIONS COORDINATING BOARD

SUBJECT: Financing OCB in Fiscal 1955.

As directed by the Board at its last meeting on September 23, 1953, the matter of financing OCB operations for fiscal year 1955 has been looked into and the following facts are reported for the Board's consideration:

1. An amendment to the National Security Act or any other type of legislation permitting the OCB to receive an appropriation directly would probably be opposed by the Bureau of the Budget. Hence this course of action does not appear to warrant further consideration by the Board.
2. Augmentation of funds appropriated to the President to cover the requirements of OCB and similar interdepartmental committees and boards is also contrary to administration policy.
3. The Bureau of the Budget is undertaking a survey of the financing arrangements with respect to a number of interdepartmental boards and committees which is to be completed shortly after November 1. As a result of this survey the Bureau expects to recommend a uniform Executive Branch policy which will be applicable to OCB. At the moment the Bureau of the Budget is principally interested in reviewing the total 1955 budget for OCB and plans to defer any final decision with respect to the method of financing or the apportionment of the costs among the OCB member agencies until an over-all policy has been developed.

Informally the Bureau of the Budget supports the principle of restricting the number of contributing agencies to a minimum. This also appears to be the view of the staff of the Congressional appropriation committees. It would appear reasonable to assume at this time that the Bureau of the Budget would not favor any enlarging in the number of agencies making provision in their appropriation requests for support of OCB and that it is possible that the ultimate decision may be to place responsibility with one of the OCB members for financing OCB in the future.

It is recommended that the Board agree pending the final decision by the Bureau of the Budget that the present pattern of financing, namely, one-third from the Department of Defense and two-thirds from the Central Intelligence Agency, be used as a basis for including amounts in the appropriation requests of these two member agencies. It is understood that the Department of Defense would include a specific item for OCB support in its appropriation request if this recommendation is adopted. The Bureau of the Budget would direct the necessary changes in the appropriation requests of these two agencies prior to their submission to Congress in January if the new policy required a change in the submissions.

George A. Morgan

George A. Morgan
Acting Deputy Executive Officer

#2